

## SENATE BILL No. 507

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-33; IC 6-8.1-1-1.

**Synopsis:** Dockside gaming referenda. Authorizes local referenda concerning the practice of conducting gambling games while a riverboat is docked and allowing the continuous ingress and egress of passengers for the purpose of gambling (known as "flexible scheduling"). Makes conforming amendments to apply to riverboats docked in cities and counties in which flexible scheduling is approved. Requires a riverboat licensee using flexible scheduling to pay a \$3 admissions fee with respect to persons admitted to the riverboat.

**Effective:** July 1, 2001.

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**Rogers, Landske, Bowser, Antich,  
Mrvan, Smith S, Lutz L**

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January 22, 2001, read first time and referred to Committee on Public Policy.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## SENATE BILL No. 507

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 4-33-2-7 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2001]: Sec. 7. **(a) Except as provided in**  
3 **subsection (b), "dock" means the location where an excursion**  
4 **riverboat moors for the purpose of embarking passengers for and**  
5 **disembarking passengers from a gambling excursion.**

6       **(b) This subsection applies only to a riverboat docked in a**  
7 **county or city that has approved flexible scheduling in a**  
8 **referendum held under IC 4-33-6-21 or IC 4-33-6-22. As used in**  
9 **this subsection, "dock" means the location where a riverboat**  
10 **moors for the purpose of embarking passengers for and**  
11 **disembarking passengers from the riverboat.**

12       SECTION 2. IC 4-33-2-7.5 IS ADDED TO THE INDIANA CODE  
13 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
14 1, 2001]: Sec. 7.5. **"Flexible scheduling" refers to the practice of**  
15 **conducting gambling games and allowing the continuous ingress**  
16 **and egress of passengers for the purpose of gambling while a**  
17 **riverboat is docked.**



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SECTION 3. IC 4-33-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 8. "Gambling excursion" means the time during which gambling games may be operated on a riverboat **that is not docked in a county or city that has approved flexible scheduling in a referendum held under IC 4-33-6-21 or IC 4-33-6-22.**

SECTION 4. IC 4-33-2-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 15.5. (a) **This section applies to a riverboat docked in one (1) of the following:**

(1) A county that has approved flexible scheduling in a referendum held under IC 4-33-6-21.

(2) A city that has approved flexible scheduling in a referendum held under IC 4-33-6-22.

(b) "Patron" means an individual who:

(1) boards a riverboat; and

(2) is not entitled to receive a fee free pass.

SECTION 5. IC 4-33-2-16.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 16.5. (a) **This section applies to a riverboat docked in one (1) of the following:**

(1) A county that has approved flexible scheduling in a referendum held under IC 4-33-6-21.

(2) A city that has approved flexible scheduling in a referendum held under IC 4-33-6-22.

(b) "Reporting period" means a twenty-four (24) hour increment used by the department to assess fees under this article commencing at 6 a.m. each day and concluding at 5:59 a.m. the following day.

SECTION 6. IC 4-33-2-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 17. (a) **Except as provided in subsection (b), "riverboat" means a self-propelled excursion boat located in a county described in IC 4-33-1-1 on which lawful gambling is authorized and licensed under this article.**

(b) **This subsection applies only to a riverboat docked in a county or city that has approved flexible scheduling in a referendum held under IC 4-33-6-21 or IC 4-33-6-22. "Riverboat" means a self-propelled excursion boat or permanently moored barge located in a county described in IC 4-33-1-1 on which lawful gambling is authorized and licensed under this article.**

SECTION 7. IC 4-33-4-3, AS AMENDED BY P.L.14-2000, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2001]: Sec. 3. (a) The commission shall do the following:

(1) Adopt rules that the commission determines necessary to protect or enhance the following:

(A) The credibility and integrity of gambling operations authorized by this article.

(B) The regulatory process provided in this article.

(C) The natural environment and scenic beauty of Patoka Lake.

(2) Conduct all hearings concerning civil violations of this article.

(3) Provide for the establishment and collection of **admission fees**, license fees, and taxes imposed under this article.

(4) Deposit the license fees and taxes in the state gaming fund established by IC 4-33-13.

(5) Levy and collect penalties for noncriminal violations of this article.

(6) Deposit the penalties in the state gaming fund established by IC 4-33-13.

(7) Be present through the commission's inspectors and agents during the time gambling operations are conducted on a riverboat to do the following:

(A) Certify the revenue received by a riverboat.

(B) Receive complaints from the public.

(C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.

(D) With respect to riverboats that operate on Patoka Lake, ensure compliance with the following:

(i) IC 14-26-2-6.

(ii) IC 14-26-2-7.

(iii) IC 14-28-1.

(8) Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:

(A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and

(B) an emergency rule is likely to address the need.

**(9) Adopt emergency rules under IC 4-22-2-37.1 to regulate the implementation of flexible scheduling in a county or city that approves flexible scheduling in a referendum held under IC 4-33-6-21 or IC 4-33-6-22.**

(b) The commission shall begin rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted

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under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).

SECTION 8. IC 4-33-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 10. The commission shall authorize the route of a riverboat and the stops, if any, that the riverboat may make **while on a cruise**.

SECTION 9. IC 4-33-4-21.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 in the following locations:

(1) On each admission ticket to a riverboat, ~~gambling excursion~~  
**if admission tickets are issued.**

(2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.

(b) The toll free telephone line described in IC 4-33-12-6 must be:

(1) maintained by the division of mental health under IC 12-23-1-6; and

(2) funded by the addiction services fund established by IC 12-23-2-2.

(c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 10. IC 4-33-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2. Notwithstanding any other law, upon written request from a person, the commission shall provide the following information to the person:

(1) The information provided under section 1 of this chapter concerning a licensee or an applicant.

(2) The amount of the wagering tax and admission tax **or fees** paid daily to the state by a licensed owner.

(3) A copy of a letter providing the reasons for the denial of an owner's license.

(4) A copy of a letter providing the reasons for the commission's refusal to allow an applicant to withdraw the applicant's application.

SECTION 11. IC 4-33-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 6. (a) A ~~riverboat~~ **self-propelled excursion boat** that ~~operates in cruises from~~ a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) must:

(1) have a valid certificate of inspection from the United States Coast Guard for the carrying of at least five hundred (500) passengers; and

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(2) be at least one hundred fifty (150) feet in length.

(b) A **riverboat self-propelled excursion boat** that ~~operates cruises~~ on Patoka Lake must:

(1) have the capacity to carry at least five hundred (500) passengers;

(2) be at least one hundred fifty (150) feet in length; and

(3) meet safety standards required by the commission.

~~(c) This subsection applies only to a riverboat that operates on the Ohio River. A riverboat must replicate, as nearly as possible, historic Indiana steamboat passenger vessels of the nineteenth century. However, steam propulsion or overnight lodging facilities are not required under this subsection.~~

SECTION 12. IC 4-33-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 9. (a) A licensed owner must post a bond with the commission at least sixty (60) days before the commencement of **regular gambling on the riverboat. excursions.**

(b) The bond shall be furnished in:

(1) cash or negotiable securities;

(2) a surety bond:

(A) with a surety company approved by the commission; and

(B) guaranteed by a satisfactory guarantor; or

(3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.

(d) The bond:

(1) is subject to the approval of the commission;

(2) must be in an amount that the commission determines will adequately reflect the amount that a local community will expend for infrastructure and other facilities associated with a riverboat operation; and

(3) must be payable to the commission as obligee for use in payment of the licensed owner's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed owner's bond is insufficient, the licensed owner shall upon written demand of the commission file a new bond.

(f) The commission may require a licensed owner to file a new bond with a satisfactory surety in the same form and amount if:



(1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the owner's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed owner remains at the site for which the owner's license is granted for the lesser of:

(1) five (5) years; or

(2) the date the commission grants a license to another licensed owner to operate from the site for which the bond was posted.

(i) A licensed owner who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission for the benefit of the local unit from which the riverboat operated.

(j) The total and aggregate liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may in no event be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

(1) the time has run under subsection (h); and

(2) a written request is submitted by the licensed owner.

SECTION 13. IC 4-33-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 10. (a) An owner's license issued under this chapter permits the holder to own and operate one (1) riverboat and equipment for each license.

**(b) An owner's license issued under this chapter does not permit the holder to:**

**(1) conduct gambling games authorized under this article while the riverboat is docked; and**

**(2) allow the continuous ingress and egress of passengers for the purposes of gambling;**

**unless the voters of the county or city in which the riverboat is docked have approved the conducting of gambling games while the riverboat is docked in the county in a referendum held under sections 21 and 22 of this chapter.**

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(c) An owner's license issued under this chapter must specify the place where the riverboat must operate and dock. However, the commission may permit the riverboat to dock at a temporary dock in the applicable city for a specific period of time not to exceed one (1) year after the owner's license is issued.

(d) An owner's initial license expires five (5) years after the effective date of the license.

SECTION 14. IC 4-33-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 11. The commission may revoke an owner's license if:

(1) the licensee begins regular ~~riverboat excursions~~ **operations** more than twelve (12) months after receiving the commission's approval of the application for the license; and

(2) the commission determines that the revocation of the license is in the best interests of Indiana.

SECTION 15. IC 4-33-6-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 21. (a) This section applies to:

(1) a county having a population of more than thirty-eight thousand five hundred (38,500) but less than thirty-nine thousand (39,000);

(2) a county having a population of more than twenty-nine thousand eight hundred (29,800) but less than thirty thousand (30,000);

(3) a county having a population of more than one hundred seven thousand (107,000) but less than one hundred eight thousand (108,000);

(4) a county having a population of less than six thousand (6,000);

(5) a county having a population of more than seven thousand (7,000) but less than eight thousand (8,000); and

(6) a county having a population of more than one hundred sixty thousand (160,000) but less than two hundred thousand (200,000).

(b) As used in this section, "flexible scheduling" refers to the practice of conducting gambling games while a riverboat is docked and allowing the continuous ingress and egress of passengers for the purpose of gambling.

(c) A riverboat owner may not:

(1) conduct gambling games authorized under this article while the riverboat is docked; and

(2) allow the continuous ingress and egress of passengers for





the purpose of gambling;  
 unless the voters of the county have approved the conducting of  
 gambling games while the riverboat is docked in the county.

(d) If at least the number of the registered voters of the county  
 required under IC 3-8-6-3 for a petition to place a candidate on the  
 ballot sign a petition submitted to the circuit court clerk requesting  
 that a local public question concerning flexible scheduling be  
 placed on the ballot, the county election board shall place the  
 following question on the ballot in the county during the next  
 general election or on the ballot of a special election held under  
 subsection (f):

"Shall a licensed riverboat owner be permitted to conduct  
 gambling games while the riverboat is docked in \_\_\_\_  
 County?".

(e) A public question under this section shall be placed on the  
 ballot in accordance with IC 3-10-9 and must be certified not later  
 than noon August 1.

(f) If a general election is not scheduled during the year in which  
 the petition described in subsection (d) is submitted to the circuit  
 court clerk, the county election board shall place the question set  
 forth in subsection (d) on the ballot of a special election to be held  
 on the Tuesday following the first Monday of November. Notice of  
 the pending special election shall be given by the county election  
 board under IC 5-3-1. The notice of the special election must  
 clearly state that the election is called for affording the registered  
 voters an opportunity to approve or reject a proposal for the  
 county to permit a licensed riverboat owner to conduct gambling  
 games while the riverboat is docked in the county. The notice must  
 also designate the time and voting place or places at which the  
 election will be held. The special election shall be under the  
 direction of the county election board in the county. The election  
 board shall take all steps necessary to carry out the special election  
 provided for in this subsection. However, the cost of conducting the  
 special election shall be charged to the owner of the riverboat  
 docked in the county.

(g) The clerk of the circuit court of a county holding an election  
 under this chapter shall certify the results determined under  
 IC 3-12-4-9 to the commission and the department of state revenue.

(h) If a public question under this section is placed on the ballot  
 in a county and the voters of the county do not vote in favor of  
 permitting flexible scheduling under this article, a second public  
 question under this section may not be held in that county for at



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1 least two (2) years. If the voters of the county vote to reject flexible  
 2 scheduling a second time, a third or subsequent public question  
 3 under this section may not be held in that county until the general  
 4 election held during the tenth year following the year that the  
 5 previous public question was placed on the ballot.

6 SECTION 16. IC 4-33-6-22 IS ADDED TO THE INDIANA CODE  
 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 8 1, 2001]: Sec. 22. (a) This section applies to:

9 (1) a city having a population of more than thirty-three  
 10 thousand eight hundred fifty (33,850) but less than  
 11 thirty-three thousand nine hundred (33,900) that is located in  
 12 a county that has a population of more than four hundred  
 13 thousand (400,000) but less than seven hundred thousand  
 14 (700,000);

15 (2) a city having a population of more than one hundred ten  
 16 thousand (110,000) but less than one hundred twenty  
 17 thousand (120,000) that is located in a county that has a  
 18 population of more than four hundred thousand (400,000) but  
 19 less than seven hundred thousand (700,000); and

20 (3) a city having a population of more than seventy-five  
 21 thousand (75,000) but less than ninety thousand (90,000) that  
 22 is located in a county that has a population of more than four  
 23 hundred thousand (400,000) but less than seven hundred  
 24 thousand (700,000).

25 (b) As used in this section, the term "flexible scheduling" refers  
 26 to the practice of conducting gambling games and allowing the  
 27 continuous ingress and egress of passengers for the purpose of  
 28 gambling while a riverboat is docked.

29 (c) A riverboat owner may not:

30 (1) conduct gambling games authorized under this article; and  
 31 (2) allow the continuous ingress and egress of passengers for  
 32 the purpose of gambling;

33 while the riverboat is docked, unless the voters of the city have  
 34 approved the conducting of gambling games while the riverboat is  
 35 docked in the city.

36 (d) If at least the number of the registered voters of the city  
 37 required under IC 3-8-6-3 for a petition to place a candidate on the  
 38 ballot sign a petition submitted to the circuit court clerk requesting  
 39 that a local public question concerning flexible scheduling be  
 40 placed on the ballot, the county election board shall place the  
 41 following question on the ballot in the city during the next general  
 42 election or on the ballot of a special election held under subsection

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1 (f):

2 "Shall a licensed riverboat owner be permitted to conduct  
3 gambling games while the riverboat is docked in the City of  
4 \_\_\_\_\_?"

5 (e) A public question under this section shall be placed on the  
6 ballot in accordance with IC 3-10-9 and must be certified not later  
7 than noon August 1.

8 (f) If a general election is not scheduled during the year in which  
9 the petition described in subsection (d) is submitted to the circuit  
10 court clerk, the county election board shall place the question set  
11 forth in subsection (d) on the ballot of a special election to be held  
12 on the Tuesday following the first Monday of November. Notice of  
13 the pending special election shall be given by the county election  
14 board under IC 5-3-1. The notice of the special election must  
15 clearly state that the election is called for affording the registered  
16 voters an opportunity to approve or reject a proposal for the city  
17 to permit a licensed riverboat owner to conduct gambling games  
18 while the riverboat is docked in the city. The notice must also  
19 designate the time and voting place or places at which the election  
20 will be held. The special election shall be under the direction of the  
21 county election board of the county. The election board shall take  
22 all steps necessary to carry out the special election provided for in  
23 this subsection. However, the cost of conducting the special election  
24 shall be charged to the owner of each riverboat docked in the  
25 county. Where two (2) or more riverboats are docked in the city,  
26 the cost of the special election shall be divided equally among each  
27 of the riverboats docked in the city.

28 (g) The clerk of the circuit court of a county holding an election  
29 under this chapter shall certify the results determined under  
30 IC 3-12-4-9 to the commission and the department of state revenue.

31 (h) If a public question under this section is placed on the ballot  
32 in a city and the voters of the city do not vote in favor of permitting  
33 riverboat gambling under this article, another public question  
34 under this section may not be held in that city for at least two (2)  
35 years. If the voters of the city vote to reject flexible scheduling a  
36 second time, a third or subsequent public question under this  
37 section may not be held in that city until the general election held  
38 during the tenth year following the year that the previous public  
39 question was placed on the ballot.

40 SECTION 17. IC 4-33-9-2, AS AMENDED BY P.L.20-1995,  
41 SECTION 15, AND P.L.55-1995, SECTION 3, IS CORRECTED AND  
42 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]:



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1 Sec. 2. (a) **This section does not apply to a riverboat docked in one**  
 2 **(1) of the following:**

3 **(1) A county that has approved flexible scheduling in a**  
 4 **referendum held under IC 4-33-6-21.**

5 **(2) A city that has approved flexible scheduling in a**  
 6 **referendum held under IC 4-33-6-22.**

7 **(b)** Except as provided in subsections ~~(b)~~, (c) and ~~(c)~~, (d), gambling  
 8 may not be conducted while a riverboat is docked **in a county or city**  
 9 **other than a county or city described in subsection (a).**

10 ~~(b)~~ (c) If the master of the riverboat reasonably determines and  
 11 certifies in writing that:

12 (1) specific weather conditions, water conditions, *or traffic*  
 13 *conditions* present a danger to the riverboat and the riverboat's  
 14 passengers and crew;

15 (2) *either the vessel or the docking facility is undergoing*  
 16 *mechanical or structural repair;*

17 (3) *water traffic conditions present a danger to:*

18 (A) *the riverboat, riverboat passengers, and crew; or*

19 (B) *other vessels on the water; or*

20 (4) *the master has been notified that a condition exists that would*  
 21 *cause a violation of federal law if the riverboat were to cruise;*

22 the riverboat may remain docked and gaming may take place until the  
 23 master determines that the conditions have sufficiently diminished *or*  
 24 *been corrected* for the riverboat to safely proceed or the duration of the  
 25 authorized excursion has expired.

26 ~~(c)~~ (d) The commission shall by rule permit gambling to be  
 27 conducted for periods of not more than thirty (30) minutes during  
 28 passenger embarkation and not more than thirty (30) minutes during  
 29 passenger disembarkation.

30 SECTION 18. IC 4-33-9-3 IS AMENDED TO READ AS  
 31 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. (a) Except as  
 32 provided in ~~subsection~~ **subsections (b) and (c)**, riverboat excursions  
 33 may not exceed four (4) hours for a round trip.

34 (b) Subsection (a) does not apply to an extended cruise that is  
 35 expressly approved by the commission.

36 **(c) This subsection applies only to a riverboat docked in a**  
 37 **county or city that has approved flexible scheduling in a**  
 38 **referendum held under IC 4-33-6-21 or IC 4-33-6-22. A riverboat**  
 39 **cruise may not exceed two (2) hours for a round trip.**

40 SECTION 19. IC 4-33-9-14 IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 14. (a) This section  
 42 applies only to a riverboat that operates from a county that is

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contiguous to the Ohio River.

(b) A gambling ~~excursion~~ **cruise** is permitted only when the navigable waterway for which the riverboat is licensed is navigable, as determined by the commission in consultation with the United States Army Corps of Engineers.

SECTION 20. IC 4-33-9-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 17. (a) This section applies only to a riverboat docked in one (1) of the following:**

**(1) A county that has approved flexible scheduling in a referendum held under IC 4-33-6-21.**

**(2) A city that has approved flexible scheduling in a referendum held under IC 4-33-6-22.**

**(b) The riverboat owner may implement flexible scheduling on January 1 following the referendum held under IC 4-33-6-21 or IC 4-33-6-22.**

SECTION 21. IC 4-33-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 1. (a) A person who knowingly or intentionally:**

**(1) makes a false statement on an application submitted under this article;**

**(2) operates a ~~gambling excursion~~ in riverboat on which wagering is conducted or is to be conducted in a manner other than the manner required under this article;**

**(3) permits a person less than twenty-one (21) years of age to make a wager;**

**(4) aids, induces, or causes a person less than twenty-one (21) years of age who is not an employee of the riverboat gambling operation to enter or attempt to enter a riverboat;**

**(5) wagers or accepts a wager at a location other than a riverboat; or**

**(~~5~~) (6) makes a false statement on an application submitted to the commission under this article;**

**commits a Class A misdemeanor.**

**(b) A person who:**

**(1) is not an employee of the riverboat gambling operation;**

**(2) is less than twenty-one (21) years of age; and**

**(3) knowingly or intentionally enters or attempts to enter a riverboat;**

**commits a Class C misdemeanor.**

SECTION 22. IC 4-33-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 5. An action to**



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1 prosecute a crime occurring during a gambling ~~excursion~~ on a  
 2 **riverboat** shall be tried in the county of the dock where the riverboat  
 3 is based.

4 SECTION 23. IC 4-33-12-1 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. **(a) This section**  
 6 **does not apply to a riverboat docked in one (1) of the following:**

7 **(1) A county that has approved flexible scheduling in a**  
 8 **referendum held under IC 4-33-6-21.**

9 **(2) A city that has approved flexible scheduling in a**  
 10 **referendum held under IC 4-33-6-22.**

11 **(b) A tax is imposed on admissions to gambling excursions**  
 12 **authorized under this article at a rate of three dollars (\$3) for each**  
 13 **person admitted to the gambling excursion. This admission tax is**  
 14 **imposed upon the licensed owner conducting the gambling excursion.**

15 SECTION 24. IC 4-33-12-1.5 IS ADDED TO THE INDIANA  
 16 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 17 [EFFECTIVE JULY 1, 2001]: Sec. 1.5. **(a) This section applies only**  
 18 **to a riverboat docked in one (1) of the following:**

19 **(1) A county that has approved flexible scheduling in a**  
 20 **referendum held under IC 4-33-6-21.**

21 **(2) A city that has approved flexible scheduling in a**  
 22 **referendum held under IC 4-33-6-22.**

23 **(b) A fee is imposed on admissions to a riverboat authorized**  
 24 **under this article at a rate of three dollars (\$3) for each patron who**  
 25 **is on board at the time a passenger count is recorded.**

26 **(c) Passenger counts must be recorded one (1) hour after the**  
 27 **start of each reporting period and once every two (2) hours**  
 28 **thereafter under procedures approved by the commission.**

29 **(d) If the riverboat's schedule as approved by the commission**  
 30 **does not provide for the riverboat to be open to the public at the**  
 31 **start of the reporting period, passenger counts must be recorded**  
 32 **one (1) hour after the riverboat begins admitting patrons during a**  
 33 **reporting period and once every two (2) hours thereafter under**  
 34 **procedures approved by the commission.**

35 **(e) This admission fee is imposed upon the licensed owner of the**  
 36 **riverboat.**

37 SECTION 25. IC 4-33-12-2 IS AMENDED TO READ AS  
 38 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2. **(a) This section does**  
 39 **not apply to a riverboat docked in one (1) of the following:**

40 **(1) A county that has approved flexible scheduling in a**  
 41 **referendum held under IC 4-33-6-21.**

42 **(2) A city that has approved flexible scheduling in a**

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**referendum held under IC 4-33-6-22.**

(b) If tickets are issued that may be used for admission to more than one (1) gambling excursion, the admission tax must be paid for each person using the ticket on each gambling excursion for which the ticket is used.

~~(b)~~ (c) If free passes or complimentary admission tickets are issued, a person who has been issued an owner's license shall pay the same tax on the passes or complimentary tickets as if the passes or tickets were sold at the regular admission rate.

SECTION 26. IC 4-33-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. (a) A licensed owner may issue tax-free **or fee free** passes to the following persons:

(1) Actual and necessary officials and employees of the licensee.

(2) Other persons actually working on the riverboat.

(b) The number and issuance of tax-free **or fee free** passes is subject to the rules of the commission. A list of all persons to whom the tax-free **or fee free** passes are issued must be filed with the commission.

SECTION 27. IC 4-33-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4. (a) A licensed owner must pay the admissions taxes **and fees** collected to the department. The licensed owner must make the ~~tax~~ payments each day for the preceding day's admissions.

(b) The payment of the tax **or fee** under this section must be on a form prescribed by the department.

(c) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

(d) If the department requires taxes **or fees** to be paid under this section through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amount ~~of taxes~~ paid to the department.

SECTION 28. IC 4-33-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 6. (a) The department shall place in the state general fund the tax **and fee** revenue collected under this chapter.

(b) Except as provided by subsection (c), the treasurer of state shall quarterly pay the following amounts:

(1) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is described in IC 4-33-6-1(a)(1) through

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IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the division of mental health. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

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1 (c) With respect to tax revenue collected from a riverboat that  
 2 operates on Patoka Lake, the treasurer of state shall quarterly pay the  
 3 following amounts:

4 (1) The counties described in IC 4-33-1-1(3) shall receive one  
 5 dollar (\$1) of the admissions tax collected for each person  
 6 embarking on the riverboat during the quarter. This amount shall  
 7 be divided equally among the counties described in  
 8 IC 4-33-1-1(3).

9 (2) The Patoka Lake development account established under  
 10 IC 4-33-15 shall receive one dollar (\$1) of the admissions tax  
 11 collected for each person embarking on the riverboat during the  
 12 quarter.

13 (3) The resource conservation and development program that:

14 (A) is established under 16 U.S.C. 3451 et seq.; and

15 (B) serves the Patoka Lake area;

16 shall receive forty cents (\$0.40) of the admissions tax collected  
 17 for each person embarking on the riverboat during the quarter.

18 (4) The state general fund shall receive fifty cents (\$0.50) of the  
 19 admissions tax collected for each person embarking on the  
 20 riverboat during the quarter.

21 (5) The division of mental health shall receive ten cents (\$0.10)  
 22 of the admissions tax collected for each person embarking on the  
 23 riverboat during the quarter. The division shall allocate at least  
 24 twenty-five percent (25%) of the funds derived from the  
 25 admissions tax to the prevention and treatment of compulsive  
 26 gambling.

27 (d) Money paid to a unit of local government under subsection  
 28 (b)(1) through (b)(2) or subsection (c)(1):

29 (1) must be paid to the fiscal officer of the unit and may be  
 30 deposited in the unit's general fund or riverboat fund established  
 31 under IC 36-1-8-9, or both;

32 (2) may not be used to reduce the unit's maximum or actual levy  
 33 under IC 6-1.1-18.5; and

34 (3) may be used for any legal or corporate purpose of the unit,  
 35 including the pledge of money to bonds, leases, or other  
 36 obligations under IC 5-1-14-4.

37 (e) Money paid by the treasurer of state under subsection (b)(3)  
 38 shall be:

39 (1) deposited in:

40 (A) the county convention and visitor promotion fund; or

41 (B) the county's general fund if the county does not have a  
 42 convention and visitor promotion fund; and

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(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(f) Money received by the division of mental health under subsections (b)(5) and (c)(5):

(1) is annually appropriated to the division of mental health;

(2) shall be distributed to the division of mental health at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

**(g) The admission fees collected under section 1.5 of this chapter shall be:**

**(1) distributed and accounted for in the same manner; and**

**(2) used for the same purposes;**

**as admission taxes are distributed and used under this chapter.**

SECTION 29. IC 6-8.1-1-1, AS AMENDED BY P.L.181-1999, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12); **the riverboat admissions fee (IC 4-33-12)**; the riverboat wagering tax (IC 4-33-13); the gross income tax (IC 6-2.1); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the auto rental excise tax (IC 6-6-9); the bank tax (IC 6-5-10); the savings and loan association tax (IC 6-5-11); the production credit association tax (IC 6-5-12); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the



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1 petroleum severance tax (IC 6-8-1); the various innkeeper's taxes  
2 (IC 6-9); the various county food and beverage taxes (IC 6-9); the  
3 county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee  
4 (IC 16-44-2); the emergency and hazardous chemical inventory form  
5 fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3  
6 and IC 9-30); the fees and penalties assessed for overweight vehicles  
7 (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23);  
8 the solid waste management fee (IC 13-20-22); and any other tax or fee  
9 that the department is required to collect or administer.

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